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MANAGEMENT OF A MUNICIPAL FILING SYSTEM

How should a city-wide filing system be organized, staffed and controlled?
What are the procedures for installing a new filing system?

This report is based almost entirely on an extensive reorganization of the filing system in a city of 100,000 population. It suggests an organization for files control, a classification system for filing, files for records control, and the installation of a filing system. The suggestions for improved handling of files may be adapted for use in any size city.

Filing of records is a basic tool of management. Records are products of the "brains" of an organization. As such, they have high value as an asset which contributes significantly to effective functioning of the organization.

The dependence of management upon correct filing and efficient finding of records is increasingly recognized. When study of filing systems is carried to its logical conclusion, the apparently elementary handling of records grows into a files control program which ranks with purchasing and accounting as a tool of management.

Files control, as used in this report, relates to the filing of "current records" in offices. It is a program comprising these basic steps:

1. Central supervision over departmental files.
2. Installation of the best filing systems, equipment, and supplies to meet departmental needs.
3. Training and supervision of departmental file clerks in proper maintenance of the filing systems.

This report assumes that a records center has been established, as recommended in MIS Report No. 114, for custody and reference service on "storage records." The principles discussed in this report are not affected, however, by alternative facilities for storing inactive records, if the system for filing storage records is closely related to that used for current records.

A City-Wide Filing System

Organizations usually start operations with departmental control of their files. This plan, or rather the lack of one, is probably in use in most municipalities which have not studied their filing problems. Such a plan at first seems best suited to meet departmental needs because it places the files at the point of most frequent use and gives each department control over its own records. The success of this plan in meeting departmental needs depends to a large extent, however, on whether or not trained employees supervise and conduct the filing work.

When filing is the part-time duty of clerks with inadequate training, as is generally the case, it is almost inevitable that many disadvantages will accrue. Some of the probable disadvantages are these: poorly classified and maintained files; high expenses for filing personnel and equipment; vital records lost, stored without adequate protection, or prematurely retired; unimportant records retained far longer than necessary. In short, lack of system results in deterioration of filing service and eventually leads to failure to meet departmental needs.

When organizations by systematic study of filing systems and methods began to recognize the defects of departmental control of their files, centralized files became the accepted plan. Experience soon proved, however, that this plan was practicable only under certain conditions. These included good organization, staffing for control and filing of records, housing and facilities for the central records department, and excellent messenger service.

The larger the organization the more certain it is that departmental files will be maintained despite efforts to centralize them. This is particularly true of organizations situated on two or more floors of a single building or in separate buildings. The failure of centralized files to serve departmental needs adequately, except in unusual instances, has led generally to the abandonment of this plan for filing control.

The breakdown of centralized filing and the inherent weaknesses of unsupervised departmental files led to the present concept: central supervision of departmental files. This plan is practicable in nearly any kind of organization. Its benefits for the city as a whole, and for the departments, are as follows:

1. Filing needs, systems and equipment are thoroughly analyzed, as a matter of course, and the best methods and equipment are standardized to meet each type of filing requirement.
2. A complete subject classification by major and minor subjects is adopted uniformly and standard instructions are issued for file maintenance. Thus, a file clerk in one department can quickly learn how to index, file, and find papers in any other department when necessary
3. Greater consideration is given to the aptitudes and pre-entry training of new employees whose work will include filing responsibilities.
4. New as well as experienced file clerks are given in-service training in filing methods by trained personnel. Department heads and their principal supervisors are relieved of the burden (for which they are not equipped) of training and supervising file clerks in the technical aspects of their work.
5. Interdepartmental filing confusion is eliminated. Important papers like deeds, which may be handled by the legal, planning, and/or engineering departments, as well as by the city clerk, in the course of property acquisition, do not sometimes become misfiled in one of those departments instead of being returned to the city clerk for permanent filing.

Within each department, building, or floor of a building in which activities are conducted, it is necessary to determine the degree to which files can be centralized. Among the factors to be considered in reaching a decision are these: (1) need for physical protection of the records, and the facilities

provided for such protection; (2) layout of the offices and the floor space available; (3) functions of the organizational units, and the number of units using the same records; (4) existence or lack of a messenger or carrier system; (5) extent to which the telephone is used for the transaction of business; (6) frequency of reference; and (7) volume of records.

Organization for Files Control

The central control and supervision of departmental files requires the time and attention of an employee who understands the system, can help city departments with filing problems, and preferably has participated in the filing installation for the city. Such an employee, for purposes of this report, is designated as a files supervisor.

A good choice, especially for smaller cities, is to have the files supervisor as an employee of the city clerk's office. In most cities the job will not be full time and thus can be combined with other duties.

If the city provides for a records supervisor as recommended in MIS Report No. 114, the files supervisor can work under his supervision. The files supervisor can be designated from any city department so long as he is given the time, authority, and responsibility for the work.

Duties of Files Supervisor. The files supervisor has the following responsibilities as a functional supervisor of departmental files:

1. Consults with department heads and departmental records officers to determine the most suitable filing system, equipment, and supplies for each departmental need, the best classification of the total records of the department, and the most advantageous arrangement in filing cabinets and other storage spaces.

2. Establishes for each group of subject files a complete subject classification identifying the subject of each file folder, to control the files and to guide file clerks in correct coding, filing, and finding. Such a classification is as necessary for the files as a chart of accounts is for accounting. Copies of these classifications are maintained by the files supervisor for answering questions raised by phone, for use in coordinating and planning changes, and for eliminating interdepartmental duplications.

3. Trains file clerks in the systems in use in their departments. Issues written general instructions applicable to all departments and specific instructions for individual departments.

4. Audits files and filing operations to ascertain whether instructions are being followed and particularly whether records are properly coded and filed. Trains file clerks in the correction of mistakes found.

5. Determines, in consultation with the records supervisor and department heads, which department should file the original copy of a record for which there is a reasonable filing choice, and which department should file duplicate copies. Determines the identifying color for labels for file folders of each department so that folders loaned to other departments will not be misfiled.

6. Prepares suggestions for the guidance of department heads and others who originate correspondence, concerning their cooperative role in making the filing system serve departmental needs.

7. Installs new filing systems for new or existing departments, revises existing systems as needed, or cooperates with filing consultants employed for these purposes.

Duties of Records Officers. Departmental records officers may be designated as suggested by MIS Report No. 114 to carry out within their departments the broad records management program. In a small department a capable secretary may do the work of the records officer, in which case she may also be the file clerk. The records officer has the following specific functions in the files control program:

1. Represents the department head in contacts with the records supervisor and the files supervisor, and cooperates fully with them in accomplishing files control objectives within the department.

2. With the assistance of the records and files supervisors, secures authorization from the department head to centralize all departmental files and to assign responsibility for maintaining them to a single file clerk.

3. Exercises administrative supervision over the file clerk to assure compliance with general city-wide file instructions and with specific departmental instructions.

4. Furnishes the files supervisor with a copy of the departmental subject classification and consults with him before making significant changes in the classification.

5. Cooperates in the initial installation of any new filing system.

Classification Systems for Filing

Several systems are used in classifying records for filing, depending upon the nature of the material and the frequency with which it is referred to. Cities often use several kinds of classifications for various records and may use two or more methods for classifying one set of materials. Each method has its uses, depending upon the material to be filed.

Personal Name. Filing by personal name is one of the most common methods and is used by almost all public and private organizations. In the city hall it is good for employee records and certain types of city tax records. It has the advantage of relative simplicity through alphabetizing by use of surnames. Often, however, it is not suitable for correspondence and other materials which are better handled when filed by subject.

Subject. Filing by subject is usually the best method for non-form records, especially correspondence. The work of many city departments and even the thinking of city employees tends to be by function, activity, subject or job to be done rather than by the name of any particular person. For this reason the subject file best reflects the work of the organization. Subjects that are set up for such a file must be specific and tailor-made to the purposes of the organization. A cross-reference index usually is required. The headings must be carefully selected and in sufficient detail. Such headings as "Miscellaneous" or "Inter-office Memos" have no meaning and are worthless as filing captions.

Geographic Location. Filing by districts, wards, blocks or streets, is especially advantageous for certain types of police, fire and public health records. In large cities the sheer volume and complexity of work often requires that certain records be organized geographically in district offices of the city government.

Chronologic. In a literal sense, a chronologic file simply means a file with all materials (correspondence, memoranda or financial records, for example) grouped together and filed by date. Such a file has little use except for follow-up purposes like collecting delinquent bills or mailing out reminders. A chronologic file usually is active only for a limited period of time.

Numeric. This is not a complete method of filing but is essentially a coding system and relies on a cross-reference for controlling the numbers set up for the files. It is useful for large volumes of identical records such as invoices, vouchers or cancelled checks. When properly set up a numeric file can be expanded almost indefinitely. It has been used with considerable success for social security numbers, selective service registration numbers, and insurance policy identification numbers when the system runs into hundreds of thousands, and even millions of records.

Organization of Files for Records Control

Ease of reference to current records is the most important consideration in planning and organizing a filing system. Eventual disposition of records in accordance with transfer and disposal schedules is an important secondary consideration that is often neglected. The following suggestions for facilitating records disposition are compatible with both the primary objective of ease of reference and the secondary one of orderly disposition.

Form and Non-Form Records. All records are either form or non-form in nature. "Forms" are printed or duplicated forms, as that term is commonly understood. It also includes such documents as contracts or leases which are repetitively used; and, for purposes of this discussion, standardized and recurring reports (e.g., monthly and annual accounting reports).

"Non-form" records are all other types of records other than forms as defined above. These include correspondence, memos, reports of an individualized nature, books, maps and other miscellaneous records.

Record and Non-Record Copies. These terms apply particularly to multicopy forms, but also to duplicate copies of non-form records such as correspondence. The "records" copy is that retained the longest period of time by the principal or "record" department. "Non-record" copies are those retained for lesser periods of time by other departments.

Subject Classification and Retention Periods. Correspondence, memos and similar non-form records which comprise the primary subject files and for which a detailed subject classification is needed to aid file clerks in correct filing, present the most difficult records control problem. The following steps are suggested for organizing such files, for application of pre-determined retention periods and for identification of transferred records at the records center:

1. Retention periods should be indicated on the sheets of the detailed subject classification for each file folder listed thereon. Often the same retention period can apply to all detailed subjects under a single main subject

or sub-subject. As a rule, however, varying retention periods are assigned to different detailed subjects. In general, a single file folder should contain records with similar retention periods. Thus, the subject of each folder listed on the subject classification, will have its specific retention period indicated on the margin of the sheet.

2. One of two general procedures should be applied to records which are to be destroyed without transfer to the records center. (a) If the volume of records is relatively large, a separate file folder should be provided for each of several periods of time. Thus, if a subject has a retention period of two years there may be two or more folders for the accumulation of records of annual or semi-annual periods, respectively, with labels indicating destruction on specific dates. On the specified date, the entire contents of a folder are destroyed. (b) If accumulation of records is slow, so that only a single folder can be justified for all records on a single detailed subject, the label should indicate disposal after a period of time rather than on a date. Then, when a record is added to the front of the folder, the file clerk can quickly check the records in the back and remove those which are older than the prescribed retention period.

3. Files should be inspected periodically -- at least annually -- for disposition of records by destruction or transfer. Some records will be transferred to the records center for permanent retention (perhaps on microfilm) or later destruction, while other records of great reference value may be retained indefinitely in the office files.

4. Transfer and destruction dates or periods should be entered on file labels in a manner which easily flags folders. One method of making such data highly visible is to type them on the end of a label of contrasting color, which is then pasted over the right corner of the folder tab.

5. Transfer and destruction data also should be entered on the strips or cards of the relative or cross-reference index to the files. It is advantageous to type the data in red to contrast it from other information on the card.

6. Disposal or transfer is simplest if a single type of record is filed or stored alone. Sometimes two or more related records are combined in a single "record group" for a single operating situation (e.g., vouchers, vendor invoices and receiving reports, which substantiate payments). Here too, disposition is simple if the number of records in each group is kept small, they all have the same retention value, and they all are given the same retention period.

7. When several records of a record group have varying retention values, disposal or transfer will be reasonably easy if the retention period of the most valuable record is short. In these cases, it is not worth while to weed the subordinate records out of the group. Instead, the retention period of the most valuable record is applied to all records of the group and they are disposed of together.

8. Disposal or transfer of a record group is complicated when the record with the highest retention value must also be retained the longest, while the subordinate records in the group will needlessly and substantially increase the bulk of records at the records center. This is most likely to be true of "case" files maintained over a period of years, such as welfare and employee files. In such situations, it is advisable to establish differing retention periods in relation to the varying retention values.

If mixed records of a record group having varying retention values are given different retention periods, it is advisable to segregate the records by type and retention periods. Such internal segregation of records not only aids their disposal or transfer but also facilitates reference to the file. An example is the personnel file for a single employee. During his tenure his file may receive a number of different types of records, for each one of which a number of individual specimens may accumulate.

Identification of Records in Records Center. Records transferred to the records center should be easily identifiable for ease of reference there. This objective is more easily obtained with form records, which comprise the bulk of records at the center. Form records are generally identifiable by pre-printed serial numbers or by date sequence.

Upon transfer of subject file records to the records center, a prenumbered box is filled with file folders. If the volume of transferred records warrants, folders are segregated in separate boxes by destruction dates. The number of the box in which each file folder is located is entered on the principal and subordinate cards of the relative index, opposite the dates previously entered. When reference to such records is necessary, the originating department requests the record by specifying the box number and the detailed subject on the folder label.

Therefore the cross-reference index in the originating office is the key to the location of subject file records at the records center, whereas the Record Control card at the center is the key to the location of form records. The relative index cards are retained indefinitely, even for destroyed records, to provide a record of such disposal. A Record Control card is prepared to identify the box numbers of subject files for one or more departments for a given period of time, and for a specific destruction date if there has been such segregation; but the subjects covered by the contents of each box can be identified only in the most general terms on the Record Control card.

Reference Ratios. Because of the mixed subjects of file folders in a single box, reference ratio experience for the box as a whole, while at the records center, may be too crude to determine whether retention periods can safely be reduced for individual subjects.

Reference ratio data on individual file folders can be readily obtained by inserting into each folder, at the time of the first reference, a colored sheet long enough to expose its upper end above the edge of the folder but narrow enough so as not to cover the folder tab. The sheet can be lined vertically and horizontally to provide a space for each month for five or more years. Then, a tally is added to the appropriate space for each month, whenever a reference is made.

The same technique may be helpful in determining the reference ratios of file folders in office files. In fact, it may be very helpful and even advisable to record references in this manner to subject files in the office before attempting to establish original retention periods for these files.

Installation of Filing System

Most chief administrators and department heads know too little about filing systems and methods to evaluate their own. They may only be aware that something is wrong if secretaries cannot find important records or cannot find them fast

enough. If there has been no central supervision of departmental files and no training program for file clerks, the chances are excellent that the systems in use are in various stages of deterioration, and that filing is done poorly and expensively. The supplement to this report contains a check-list which may aid executives in evaluating their filing systems.

The following discussion assumes that a drastic change is needed and that a complete filing installation is decided upon. The suggestions below, while relating particularly to a new installation, will be helpful in considering improvements of varying degrees in an existing system.

Staffing the Installation. A complete filing installation is a time-consuming job, probably requiring more man-hours of effort than any other type of management installation which a city might make. Each record (excluding forms, as a rule) must be read or at least skimmed, to determine its value and, if it is to be retained, its tentative subject classification. Tentative classifications undergo revision until a final satisfactory classification emerges. Then considerable effort is required to type new labels on file folders and dividers, to type the subject classification and the relative index, and to train file clerks in use of the new system.

Best results are achieved through employment of a consulting firm to make the installation. The cost of such an installation can be materially reduced if the city furnishes adequate staff of two types.

First, the city should not miss the opportunity to have the consulting firm train a competent employee to be files supervisor when the project is completed. Second, typists should be made available for the routine typing of labels, guides, and indexes. Assignment of these employees to the consulting staff will materially reduce the time and cost for contracted services. The potential files supervisor, gaining valuable knowledge of the new filing systems and of the city's records, will thus be equipped to train others.

An alternative method of making an installation is through employment, on the city pay-roll instead of on a contractual basis, of a person competent and experienced in filing work. Such a person may be employed first to make the installation and then to work as files supervisor after it is completed. The degree of satisfaction to be gained from this method of installation depends entirely on the competence of the person employed, as compared with the probable competence of the staff assigned by a consulting firm.

Smaller cities, which may not have access to services of a consulting firm and may not be able to employ a person with substantial experience in filing, may have to do the best with what they have. An employee with the greatest aptitude and/or filing experience may be assigned to specialize in filing work as much as possible. She undoubtedly will not have time to read existing records or reorganize existing files; but new files may be established to receive new records. Then, as reference is made to the old files, records may be removed from them and filed in the new files. Gradually, the old files will become increasingly valueless; in time they should be analyzed somewhat for retention of valuable papers and destruction of the balance.

Some Problems in Making a New Installation. Assuming that the filing system in each department is based upon a subject classification, it would be desirable to establish a uniform classification of major subjects and sub-subjects for all

departments. This proves to be impossible, however, since the subject classification in each department must be tailor-made to meet its requirements and to fit its activities.

Determining which department should be the "record" department may pose a problem for particular records. In one medium-sized city, it was decided that the "land and improvement record" should be located in the office of the city clerk, since he was custodian of deeds and most closely in touch with the city council's decisions to acquire or dispose of property. It was also decided that other departments, particularly the accounting department which wanted financial information for general ledger purposes, would not get duplicate copies, so that clerical effort in maintaining the record would be minimized; rather, other departments would refer as necessary to the city clerk's basic record. At the same time, it was decided that the city engineer, who was responsible under the charter for maintenance of public properties, would maintain the single "building and structure record," and that other departments would refer to it as necessary. And the accounting department would maintain the equipment inventory, thus completing the control over municipal property.

Inducing departmental personnel to release records in their desks or "personal" files for inclusion in the departmental files is a common problem. Executives are sometimes reluctant to give up such material for fear that it will not be available when needed. They must be persuaded that a complete file, well maintained, will better serve their own needs and those of the entire department than a partial central file and scattered personal files.

Another problem is that of resisting pressure from executives to modify the subject classification to fit their pet ideas, when such modification would distort an otherwise consistent plan.

While it is generally desirable to centralize files within each department to the greatest degree possible, the best pattern depends upon the nature of the operating activities and organizational structure of each department, as well as the layout of the office space it uses. A medium-sized department, with a very decided divisional break-down in organization and with extensive office activities, may require decentralized files for each division. A much larger department whose activities are primarily in the field, may advantageously use basically centralized files, with relatively minor physical decentralization of certain files which are kept under central control.

Note: A bibliography or records management and filing is available on request to MIS. The following materials, based on a records and filing system installation in San Jose, Calif., are available on loan to MIS subscribers: (1) a list of major subject headings and first sub-headings used for files classification in most departments together with a complete files classification breakdown for the city manager's office; (2) instructions to file clerks; (3) recommendations to record users; (4) principal forms used in the files control program.

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Supplement to MIS Report No. 115

CHECK LIST FOR EVALUATION OF A FILING SYSTEM

Note: This check list was developed by Record Controls, Inc., and appeared on pages 18 and 19 of the February, 1952, issue of Office Executive magazine. It is reproduced with the permission of the publisher, the National Office Management Association, and of Record Controls, Inc.

This check list can be used by municipal officials to evaluate an existing filing system. Place a check mark in the proper column after each question. Cities with good filing systems will be able to answer all or most questions "yes." For each affirmative answer assign four points in group 1, three points in group 2, and two points in groups 3 and 4. Add your total score. If the total is 70 or over you have a good, workable system; 60 to 70, your system is only fair; 50 to 60, your system is poor; under 50, your system needs immediate overhauling.

Group 1.Yes No

1. Are your systems of filing simple so that they can be operated without codes or other obsolete techniques.

2. Are file drawers uncrowded so that it is easy to get papers in and out?

3. Are your filing cabinets in good repair?

4. Are folder tabs typewritten so that they can be easily read?

5. Are the contents of the miscellaneous folders arranged in proper sequence?

6. Are the contents of the drawers indexed for quick reference?

7. Do you have a method of keeping track of papers borrowed from files?

8. Is everyone except file clerks forbidden to file papers?

9. Do you use a mechanical device for sorting material to avoid spreading papers out on desks in piles?

10. Is material collected at stated intervals from departments and desks of officials?

Group 2.Yes No

- | | | |
|---|-------|-------|
| 11. Are your records of common interest centralized? | _____ | _____ |
| 12. Are routines in the records department streamlined to avoid duplication of work? | _____ | _____ |
| 13. Are your records coordinated so that duplicate copies are not retained in various departments? | _____ | _____ |
| 14. Is your arrangement of cabinets compact so that clerks are near their work and avoid long stretches of walking? | _____ | _____ |
| 15. Is the department well lighted? | _____ | _____ |
| 16. Are papers marked properly for file so that uncompleted business may be readily noted if sent to file in error? | _____ | _____ |
| 17. Do executives send papers to file promptly instead of accumulating them in their desks? | _____ | _____ |
| 18. Are the copies of all forms and correspondence sent to file clearcut and legible? (File copies are the ones most frequently used.) | _____ | _____ |
| 19. Do you have a centralized follow-up system maintained by the records department so that papers needing future attention are brought up automatically? | _____ | _____ |
| 20. Do you have an up-to-date filing manual of procedure? | _____ | _____ |

Group 3.

- | | | |
|---|-------|-------|
| 21. Are routines of the records department organized to eliminate fatigue? | _____ | _____ |
| 22. Is service from the department designed to prevent clerks from drifting away from their desks and congregating in the records room? | _____ | _____ |
| 23. Do you have a training program for new clerks so that they become thoroughly familiar with each routine? | _____ | _____ |
| 24. Has a schedule of retention been prepared so that stored records can be disposed of at regular intervals? | _____ | _____ |
| 25. Are transferred records indexed so that they are readily accessible? | _____ | _____ |
| 26. Do you have a central control for all transferred records? | _____ | _____ |
| 27. Do you use an alphabetizing test for applicants for records clerks? A topical test for subject filing? | _____ | _____ |
| 28. Do you give your records supervisor an opportunity to discuss her department's progress or problems with you? | _____ | _____ |

Group 4.Yes No

29. Is your research matter indexed by content, and cross-indexed?

— —

30. Are all administrative files coordinated and indexed by content?

— —

31. Are your Council minutes and committee meeting minutes indexed so that a given topic can be readily located?

— —

32. Are your reference books and technical publications, however few, kept together as a library and indexed by subject, author and title?

— —

33. Are the Purchase Department catalogs indexed by content so that reference can be made by type or product?

— —

34. Is market information indexed by topic to be used as a source of new ideas?

— —

35. Is the control of your records program in the hands of an executive or a committee?

— —